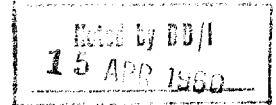


15 APR 1960



MEMORANDUM FOR: Deputy Director (Intelligence)

SUBJECT: Proposed Transmittal of Coordinated Report, Entitled  
"Costs and Benefits to the Soviet Union in Its  
Alliance and Pact System: Comparisons With the  
Western Alliance System"

1. Enclosed for your signature are memoranda (with single copies of the subject report attached) to Hugh Cumming and to John Irwin in which approval is requested for the transmittal to Congressman Bolling of the subject report as an unclassified document. Also enclosed for your signature is a letter to Congressman Bolling to be used in transmitting the enclosed five dittoed copies of the subject report after the receipt of responses from Hugh Cumming and John Irwin. I am also enclosing the ribbon copy of the report in case the DCI wishes to scan it.

2. As you know, this report was prepared in response to a request made by Senator Javits at the time the DCI appeared before the Subcommittee on Economic Statistics of the Joint Economic Committee of Congress on 13 November 1959.

3. The considerable delay in the preparation of a final, coordinated, and unclassified study was occasioned at first by an inability of the Department of State to reach internal agreement on both substantive and procedural matters and, later, by internal "declassification" problems in DOD.

4. Mr. Donald Calder of INR/RFB/DFI, State, and Mr. Donald Finberg of OSD/ISA, Defense, have been the action officers for their respective departments. Although substantive and security clearance on the report has been obtained by them, they have each indicated that final policy clearance must come from higher levels and have suggested that this clearance be requested by CIA.

5. We have been in close touch with [redacted] through-  
out, and he will be pleased to deliver the material to the Committee.

State Dept. and OSD review(s) completed.

DOCUMENT NO. 36  
NO CHANGE IN CLASS. ☐  
DECLASSIFIED  
CLASS. CHANGED TO: TS S C  
NEXT REVIEW DATE: 12/2/80  
AUTH: HR 70-2

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SUBJECT: Proposed Transmittal of Coordinated Report, Entitled  
"Costs and Benefits to the Soviet Union in Its Alliance  
and Pact System: Comparisons With the Western Alliance  
System"

6. Additional copies of the report are available in this  
Office.



OTTO E. GUTHE  
Assistant Director  
Research and Reports

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Enclosures: (4)

1. Memorandum for H. Cumming w/report
2. Memorandum for J. Irwin w/report
3. Letter to Congressman Bolling  
w/5 copies of report
4. Ribbon copy of report

Approved For Release 2003/05/29 : CIA-RDP79S01057A000500030005-0

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DEPARTMENT OF STATE  
THE DIRECTOR OF INTELLIGENCE AND RESEARCH  
WASHINGTON

JUN 6 1960

Dear Mr. Amory:

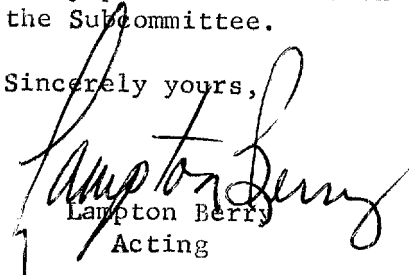
Thank you for the opportunity to consider again the draft paper "Costs and Benefits to the Soviet Union of its Alliance and Pact System: Comparisons with the Western Alliance System" prepared by your Agency in cooperation with State and Defense at the request of Senator Javits.

It is the considered opinion of the Department of State that the title should be altered to read "Costs and Benefits to the Soviet Union of its Bloc and Pact System: Comparisons with the Western Alliance System." This change it is believed makes clearer the basic distinctions between the two systems. Although the amendment of the title may be somewhat illogical, inasmuch as the paper considers the relationship between Communist China and the USSR to be an alliance, this minor weakness is more than counterbalanced by the advantages arising from emphasizing the distinctions between the two systems. The change in title would necessitate certain minor changes in the text and table of contents to bring them all into harmony with one another.

The Department is willing to have the paper go forward to Congressman Bolling in an unclassified form for use as the Subcommittee may wish to make of it.

If the Subcommittee does not desire to publish the study, the Department would like then to consider whether it is appropriate for your Agency to publish it. You may rest assured that this question will be given every possible attention should you raise it after a decision by the Subcommittee.

Sincerely yours,

  
Lampton Berry  
Acting

Mr. Robert Amory, Jr.,  
Deputy Director (Intelligence),  
Central Intelligence Agency,  
Washington 25, D. C.

**MEMORANDUM FOR:** The Honorable Hugh S. Cumming, Jr.  
Director of Intelligence and Research  
Department of State

**SUBJECT:** Proposed Release of Report Entitled "Costs and  
Benefits to the Soviet Union of Its Alliance  
and Pact System: Comparisons With the Western  
Alliance System", to Senator Jacob Javits

1. The enclosed report was prepared by CIA in cooperation with the Department of State and the Department of Defense. It is in response to a request from Senator Javits made during the course of the question period following the DCI's formal testimony before the Subcommittee on Economic Statistics of the Joint Economic Committee of Congress on 13 November 1959. In agreeing to prepare such a study, Mr. Dulles indicated that a paper of such broad scope would necessarily treat subjects outside of CIA's responsibility and that the cooperation of appropriate Departments would be sought.

2. The Department of State provided all of the background information and much of the text of those sections of the non-Bloc political assets and liabilities and non-Bloc economic assets and liabilities. In addition, the Department has participated in the review, coordination, and clearance of the entire document for both substance and classification. Mr. Donald Calder of INR/RFE/DFI, has been the State action officer on this matter.

3. It is hoped that the subject report can be transmitted to Congressman Bolling, Chairman of the Subcommittee, within the next week. Would you be willing to have CIA issue the report, indicating the cooperation provided by the Department of State and the

**SUBJECT: Proposed Release of Report Entitled "Costs and Benefits  
to the Soviet Union of Its Alliance and Pact System:  
Comparisons With the Western Alliance System", to  
Senator Jacob Javits**

Department of Defense, in case the Committee does not intend to  
publish the report as a Committee document? Your comments and  
approval of the report as an unclassified document are requested  
at your earliest convenience.

**ROBERT AMORY, JR.**  
Deputy Director (Intelligence)

Enclosure: (1)  
Subject Report





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ASSISTANT SECRETARY OF DEFENSE  
WASHINGTON 25, D. C.

In Reply Refer to: I-3337/60

APR 27 1960

INTERNATIONAL SECURITY AFFAIRS

MEMORANDUM FOR MR. ROBERT AMORY, JR.  
Deputy Director (Intelligence)  
Central Intelligence Agency

SUBJECT: Proposed Release of Report Entitled "Costs and Benefits  
to the Soviet Union of Its Alliance and Pact System:  
Comparisons with the Western Alliance System," to Senator  
Jacob Javits

The Department of Defense has reviewed the attached report  
"Costs and Benefits to the Soviet Union of Its Alliance and Pact  
System: Comparisons with the Western Alliance System," for  
matters within its purview. The DOD has no objection to the  
release of this report to the Subcommittee on Economic Statistics  
of the Joint Economic Committee as an unclassified document or to  
its publication by the Committee or the Central Intelligence Agency.

It is assumed that CENTO as a regional organization has not  
been considered in detail in the analysis because the United States  
is not a member nation.

A handwritten signature in black ink, appearing to read "Wm. M. Leffingwell", is written over the typed name and title.

Wm. M. Leffingwell  
Deputy Director of Military Assistance

1 Incl  
a/s

Approved For Release 2003/05/29 : CIA-RDP79S01057A000500030005-0

**MEMORANDUM FOR:** The Honorable John N. Irwin II  
Assistant Secretary (International Security  
Affairs)  
Office of the Secretary of Defense  
Department of Defense

**SUBJECT:** Proposed Release of Report Entitled "Costs and  
Benefits to the Soviet Union of Its Alliance  
and Pact System: Comparisons With the Western  
Alliance System", to Senator Jacob Javits

1. The enclosed report was prepared by CIA in cooperation with the Department of State and the Department of Defense. It is in response to a request from Senator Javits made during the course of the question period following the DCI's formal testimony before the Subcommittee on Economic Statistics of the Joint Economic Committee of Congress on 13 November 1959. In agreeing to prepare such a study, Mr. Dulles indicated that a paper of such broad scope would necessarily treat subjects outside of CIA's responsibility and that the cooperation of appropriate Departments would be sought.

2. The Department of Defense provided all of the background information and much of the text of those sections of the report dealing with Bloc and non-Bloc military assets and liabilities. In addition, OSD has participated in the review, coordination, and clearance of the entire document for both substance and classification. Mr. Donald Finberg of your Reports and Analysis Division, ISA/Comptroller, has been the OSD/ISA action officer on this matter.

3. It is hoped that the subject report can be transmitted to Congressman Bolling, Chairman of the Subcommittee, within the next week. Would you be willing to have CIA issue the report, indicating the cooperation provided by the Department of State and the



**SUBJECT: Proposed Release of Report Entitled "Costs and Benefits  
to the Soviet Union of Its Alliance and Pact System:  
Comparisons With the Western Alliance System", to  
Senator Jacob Javits**

Department of Defense, in case the Committee does not intend to  
publish the report as a Committee document? Your comments and approval  
of the report as an unclassified document are requested at your  
earliest convenience.

**ROBERT AMORY, JR.**  
Deputy Director (Intelligence)

Enclosure: (1)  
Subject Report

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Honorable Richard Bolling  
House of Representatives  
Washington, D. C.

Dear Dick:

You will recall that, during the question period following the Director's testimony before your Subcommittee on 13 November 1959, Senator Javits asked for a report on the costs and benefits to the Soviet Union of its alliances, compared with the West.

As a result, this Agency, with the cooperation of the Departments of State and Defense, has prepared the enclosed report. Preparation of a study such as this, broad in both subject and geographical coverage, took considerable time. I believe, however, that it provides an accurate and objective analysis which is responsive to the Senator's request and I hope that the delay has not caused any inconvenience.

Inquiries related to the general subject of this study come to CIA from many government and non-government sources. If it is not intended that this report be published as a Committee document, would you have any objection to its issuance by the Agency to interested individuals and institutions?

Sincerely,

Robert Henry, Jr.  
Deputy Director (Intelligence)

Enclosures:

Report--"Costs and Benefits  
to the Soviet Union of its  
Blue and Pact System:  
Comparisons with the Western  
Alliance System"--5 copies

cc: Senator Jacob Javits

DOCUMENT NO. 33  
NO CHANGE IN CLASS. ☐  
DECLASSIFIED  
CLASS. CHANGED TO: TS S C  
NEXT REVIEW DATE:  
AUTH: 1/26/80  
REVIEWER: